



# Fact Sheet

## SOCIAL SECURITY

### **Social Security Is Important to African Americans**

**Social Security is neutral with respect to race or ethnicity – individuals with identical earnings histories are treated the same in terms of benefits. However, due to certain demographic trends, African Americans benefit from the Social Security program in several ways.**

- The Social Security system is progressive in that lower-wage earners receive a higher percentage benefit than higher-wage earners do. The system returns a greater percentage of pre-retirement earnings to a lower-wage worker than to a higher-wage worker. African Americans who are low-wage workers receive back more benefits in relation to past earnings than do high-wage earners.
  - In 2004, the median earnings of working-age African Americans who worked full-time, year round were about \$30,000, compared to \$35,000 for all working-age people.
- In 2004, the average annual Social Security income received by African American men 65 years and older was \$10,954, compared to \$8,523 for African American women.
- In 2004, among African Americans receiving Social Security, 32 percent of elderly married couples and 54 percent of unmarried elderly persons relied on Social Security for 90 percent or more of their income.
- African Americans benefit from survivors insurance. In 2004, African Americans made up approximately 13 percent of the American population; however, twenty two percent of all children receiving Social Security survivor benefits were African American.
- African Americans benefit from disability insurance. In 2004, 13 percent of the population was African American; however, 17 percent of disabled workers receiving benefits were African American.
- African Americans receiving benefits are helped by Social Security's cost-of-living protection which guarantees a benefit that is annually adjusted for inflation.
- The African American population in the U.S. is expected to grow. Today, 13 percent of the population is of African American origin. This proportion is expected to grow to 15 percent by 2050.

*This fact sheet is designed to provide general information and does not apply to all individuals within the African American population.*